

# Fiscal Note

State of Alaska  
2022 Legislative Session

Bill Version:	CSHB 111(FIN)
Fiscal Note Number:	4
(H) Publish Date:	2/4/2022

Identifier: HB111CS(LC)-DOH-MS-01-28-2022  
Title: DENTAL HYGIENIST ADVANCED PRAC PERMIT  
Sponsor: SPOHNHOLZ  
Requester: (H) FIN

Department: Department of Health  
Appropriation: Medicaid Services  
Allocation: Medicaid Services  
OMB Component Number: 3234

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2023 Appropriation Requested	Included in Governor's FY2023 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2023	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Personal Services							
Travel							
Services	275.3		275.3	275.3	275.3	275.3	275.3
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>275.3</b>	<b>0.0</b>	<b>275.3</b>	<b>275.3</b>	<b>275.3</b>	<b>275.3</b>	<b>275.3</b>

## Fund Source (Operating Only)

1002 Fed Rcpts (Fed)	206.5		206.5	206.5	206.5	206.5	206.5
1003 GF/Match (UGF)	68.8		68.8	68.8	68.8	68.8	68.8
<b>Total</b>	<b>275.3</b>	<b>0.0</b>	<b>275.3</b>	<b>275.3</b>	<b>275.3</b>	<b>275.3</b>	<b>275.3</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimated SUPPLEMENTAL (FY2022) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2023) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No  
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

## ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes  
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/23

## Why this fiscal note differs from previous version/comments:

This fiscal note has been updated to reflect FY23 and the change to the Department of Health.

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Phone: (907)465-6333

Date: 01/19/2022

Date: 01/28/22

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
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## Analysis

This bill establishes an advance practice permit for dental hygienists, prohibits unfair discrimination under group health insurance, and relates to medical assistance for dental hygiene services.

The Division of Health Care Services (DHCS) would be responsible for configuration changes to the Medicaid Management Information System (MMIS). Fiscal agent contract changes include accommodating an increase in codes for dental care, coordination with current fiscal agent on provider enrollment, monitoring and evaluating Medicaid authorizations, and claims processing and reimbursement for dental service providers to ensure compliance with state and federal laws and regulations.

Costs associated with the fiscal agent contract changes:

Provider enrollment: \$25.9

The current contract is a negotiated flat rate based on current volumes. Any increase in workload would require a contract amendment and the division anticipates the renegotiated rate to increase the annual cost \$25.9.

Increase claims processing: \$248.2

All claims processing activities are performed by the fiscal agent (claims processing contractor). This includes additional claims data entry, mailroom services, claims adjudication, and quality assurance for audit purposes. The current contract is a negotiated flat rate based on current volumes. Any increase in workload would require a contract amendment, and the division anticipates the renegotiated rate to increase the annual cost \$248.2.

HIPAA compliant electronic claims: \$1.2

Committee on Operating Rules Information Exchange requires that all electronic medical claims follow specific HIPAA compliance rules when submitting from a provider to a payer. To ensure Alaska Medicaid is compliant with these rules, CMS has authorized the use of the EDIFICS auditing tool for electronic claims transactions. Costs are related to each individual transaction. Additional transactions will incur additional per-transaction costs estimated to be \$1.2 annually.

Total annual cost: \$275.3 (\$206.5 Fed/\$68.8 UGF)

These services are calculated at a 75% federal match blended rate to reflect the allowable federal financial participation rate for a certified Medicaid Management Information System.

Possible increased costs in Medicaid benefits may exist but are considered immaterial. While adding additional providers, the division does not anticipate additional benefit expenditures. DHCS agrees that some of these services will be provided at a lower cost but also expects that Medicaid will see a higher volume of services that could negate each other. Additionally, all services that may be provided by dental hygienists are currently covered services. It is unclear if additional services would be added to benefit plans as a result of adding dental hygienists.